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OPPOSITION to H.B. 1429

Who We Are:

The North American Equipment Dealers Association (NAEDA) represents 16 member locations in Maryland. They are part of the approximately 3,500 farm, forestry, industrial, and outdoor power equipment dealers that make up NAEDA throughout North America.

Through the sale of equipment, parts, and services, our dealer members partner with farmers and ranchers across the state to make them among the world's most productive and competitive producers.

A Private Sector Solution Exists:

Legislation mandating “Right to Repair” for agricultural (ag) equipment is unnecessary and creates a rigid legal mandate unable to adapt to market and industry changes.

In 2023, the American Farm Bureau Federation (AFBF), representing the nation’s largest collective of farmers, signed six Memorandums of Understanding (MOUs) ⁱ with original equipment manufacturers (OEMs). These MOUs establish a process for consumers to report equipment problems to AFBF, which then facilitates solutions between manufacturers and consumers.

These MOUs are reviewed biannually by AFBF and each manufacturer to ensure effectiveness.

Challenges Modification Creates:

Dealers and OEMs support customer self-repair. A 2022 third-party survey found 60% of parts sold by dealers went directly to customers or their preferred repair providers—only 40% were dealer-installed.

However, equipment *modification* is problematic for several reasons. Repairs maintain or restore equipment functionality within OEM specifications, while modifications circumvent or disable equipment features to operate outside OEM specifications. This creates several problems for dealers:

1. Federal Emissions Compliance Conflict

When customers modify equipment to operate outside OEM emissions specifications, dealers face significant federal liability. Under 40 CFR § 1068.101(b)(1)ⁱⁱ (Tampering), EPA can assess civil penalties up to \$44,539 per violation against dealers—ten times the \$4,454 customer penalty—for servicing or accepting modified equipment as trade-ins. Federal regulations (40 CFR § 1068.101(b)(2))ⁱⁱⁱ further prohibit dealers from knowingly selling or installing components that bypass emissions controls (Defeat Devices), with penalties up to \$4,454 per component.

On January 30, 2026, the Environmental Protection Agency (EPA) issued guidance in response to a June 2025 request from John Deere^{iv}. EPA clarified that while the Clean Air Act (CAA) prohibits permanently disabling emission control devices, it explicitly permits temporary overrides for repair purposes. This guidance reinforces the ability to perform repairs to emissions already exists and federal law controls. This guidance also affirms federal law preemption over state laws relating to emissions controls.

Provisions relating to security locks and security related functions should be narrowly tailored to avoid conflict with federal law.

2. Used Equipment Valuation

Dealers value used equipment based on operating hours, which reliably indicates wear and remaining usable life. Equipment modified to run outside OEM specifications undermines this valuation method and creates both financial and safety risks.

Government Overreach in Business:

Notably, EPA's guidance addressed access to tools and software — not parts pricing. Yet § 14–1502(D)(1) of this bill defines “Fair and Reasonable Terms” as “...costs and terms that are equivalent to the most favorable costs and terms under which the original equipment manufacturer offers the **PART**, tool, or documentation to an authorized repair provider...” This is government-mandated price fixing and fundamentally alters equipment dealers' business structure and operations.

This language either forces dealers to sell parts at cost or turns their suppliers into competitors. By prohibiting dealers from making a profit on parts, the effect will be a decrease in the availability of parts for owners and independent repair shops. Authorized equipment dealers will have no incentive to stock parts. Counter to the bill's intent, parts at cost will increase downtime for producers.

National Support for Dealers' Concerns:

Legislators nationwide overwhelmingly recognize dealer concerns. Recent Right to Repair laws either narrowly apply to products like wheelchairs and personal mobility devices or include exemption language supported by NAEDA and 28 industry partners via the Coalition Against Illegal Tampering. Examples include CA^v, CT^{vi}, MN^{vii}, NY^{viii}, OR^{ix}, and WA^x.

In 2026, legislation including exemptions is under consideration in AZ^{xi}, ME^{xii}, OH^{xiii}, PA^{xiv}, VA^{xv}, and WY^{xvi}.

Exemption language supported:

“Manufacturers, distributors, importers or dealers of all off-road (non-road) equipment, including without limitation, farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, construction equipment, compact construction equipment, road-building equipment, mining equipment, turf, yard and garden equipment, outdoor power equipment, portable generators, marine, all-terrain sports and recreational vehicles (including racing vehicles), stand-alone or integrated stationary or mobile internal combustion engines, other power sources, (including without limitation, generator sets, electric/battery and fuel cell power), power tools, and any tools, technology, attachments, accessories, components and repair parts for any of the foregoing.”

Dealers' Request:

On behalf of Maryland equipment dealers, NAEDA requests that H.B. 1429 be withdrawn or amended, striking Title 14 Subtitle 52. Farm Equipment Repair and its subsequent sections.

Thank you for your consideration of our concerns and proposed actions.

Kipp McGuire
Director of Government Affairs
North American Equipment Dealers Association

Endnotes:

- ⁱ MOUs between AFBF and AGCO, CASE IH, John Deere, Kubota, New Holland, and CLASS can be found on the NAEDA's "Farmers Fix It" page, <https://www.naeda.com/farmer-fix-it/>.
- ⁱⁱ 40 CFR 1068.101(b)(1), "Tampering", [https://www.ecfr.gov/current/title-40/part-1068#p-1068.101\(b\)\(1\)](https://www.ecfr.gov/current/title-40/part-1068#p-1068.101(b)(1))
- ⁱⁱⁱ 40 CFR 1068.101(b)(2), "Defeat devices", [https://www.ecfr.gov/current/title-40/part-1068#p-1068.101\(b\)\(2\)](https://www.ecfr.gov/current/title-40/part-1068#p-1068.101(b)(2))
- ^{iv} U.S. Environmental Protection Agency, *Clarification Regarding the Practice of Temporarily Disabling Aspects of an Emission Control System or Components to Repair or Maintain a Nonroad Engine*, January 30, 2026, https://dis.epa.gov/otaqpub/display_file.jsp?docid=64859&flag=1.
- ^v California Public Resources Code § 42488.2(j)(3)(B)(i), https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=42488.2.
- ^{vi} Connecticut Public Act 25-44, § 3(e)(4), <https://www.cga.ct.gov/2025/ACT/PA/PDF/2025PA-00044-R00SB-00003-PA.PDF>.
- ^{vii} Minnesota Statutes § 325E.72, subdivision 6(c), <https://www.revisor.mn.gov/statutes/2023/cite/325E.72#stat.325E.72.6>
- ^{viii} New York General Business Law § 399-nn(4)(c), <https://www.nysenate.gov/legislation/laws/GBS/399-NN>.
- ^{ix} Oregon Session Laws 2024, Chapter 69, § 3(g)(D), https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2024orLaw0069.pdf.
- ^x Washington Session Laws 2025, Chapter 353, § 5(9), <https://lawfilesexp.leg.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1483-S.SL.pdf>.
- ^{xi} Arizona H.B. 2121, § 27H(4), <https://www.azleg.gov/legtext/57leg/2R/adopted/H.2121SCIENCE%20TECHNOLOGY.PDF>
- ^{xii} Maine L.D. 1098, § 1500(4)(C), <https://legislature.maine.gov/backend/App/services/getDocument.aspx?documentId=117002>
- ^{xiii} Ohio S.B. 176, § 1350.50(I), https://search-prod.lis.state.oh.us/api/v2/general_assembly_136/legislation/sb176/00_IN/pdf/.
- ^{xiv} Pennsylvania S.B. 833, § 5(b)(3)(i-xv), <https://www.palegis.us/legislation/bills/text/PDF/2025/0/SB0833/PN0907>.
- ^{xv} Virginia H.B. 1251, Chapter 60, § 59.1-614, "Agricultural equipment," <https://lis.blob.core.windows.net/files/1087912.PDF>, see also Virginia Code § 59.1-207.7, <https://law.lis.virginia.gov/vacode/title59.1/chapter17.2/section59.1-207.7/>
- ^{xvi} Wyoming HB0015, § 40-12-802(e)(viii), <https://wyoleg.gov/Legislation/2026/HB0015>